Grain Price OUTLOOK
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SOYBEANS: USE REMAINS LARGE, PRODUCTION UNCERTAIN

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Summary

The USDA's June *Grain Stocks* report provided further evidence that the 2004 U.S. crop was slightly smaller than estimated. The World Outlook Board acknowledged that in their July report, increasing the forecast of "residual" use by 15 million bushels. In addition, the projection of domestic crush of soybeans during the current year was increased by 15 million bushels as soybean meal exports increase. Stocks at the end of the current marketing year are now projected at 290 million bushels, well below the peak projection of 460 million bushels early in the marketing year.

Planted acreage in the U.S. in 2005, at 73.3 million, was 600,000 less than indicated in March and 1.9 million less than planted in 2004. Stressful weather conditions in the eastern corn belt, forecasts of some stress in the western corn belt, and uncertainty about insect and disease damage keeps 2005 U.S. soybean production very uncertain. U.S. stocks are likely to decline sharply by the end of the 2005-06 marketing year, but rationing of use will not be required unless production falls below 2.79 billion bushels.

Considerable uncertainty also surrounds prospects for the 2006 South American crop. Little expansion in planted area is expected, but a return to more normal yields would result in a crop 12 percent larger than the drought (Brazil) reduced crops of the past two years.

Soybean prices will remain extremely volatile during the remainder of the U.S. growing season, and beyond if production falls below 2.8 billion bushels. At this juncture a 2005-06 marketing year average farm price in the $6.25 to $6.75 level seems likely, $.45 to $.95 above the average for the current year. There is considerable uncertainty surrounding that forecast, as a large South American crop and good growing conditions in the U.S. in 2006 could push prices sharply lower in the last half of the marketing year. Conversely, lower than expected production in either the US or South America could keep prices at elevated levels for an extended time. Price risk management will be challenging, but very attractive prices will be available for the 2005 crop.

Soybean Use Remains Large

Stocks of U.S. soybeans on June 1, 2005 were estimated at 700 million bushels (Table 1). Use of soybeans during the third quarter of the year totaled 683 million bushels, a bit less than the record of 2000-01. Use through the first three quarters of the year was a record 2.557 billion bushels. The

large residual, or unexplained, use during that period suggests that the 2004 crop was overestimated by 15 to 20 million bushels.

The domestic crush of soybeans during the first three quarters of the year totaled 1.295 billion bushels, only 10 million below the record of three years ago. The USDA now projects crush for the 2004-05 marketing year at 1.69 billion bushels, 75 million larger than the forecast at the beginning of the marketing year. The larger crush has been driven by meal export demand. Meal exports for the current year are now projected at 7.2 million tons, compared to 4.95 million projected in September 2004. To reach the USDA forecast, the crush during the last three months of the year will have to total 395 million bushels, equal to the records of three and four years ago.

Soybean exports during the first three quarters of the current marketing years were a record 1.02 billion bushels. Through the first week of July, exports had reached 1.06 billion bushels. To reach the USDA projection of 1.11 billion for the year, exports during the last 8 weeks of the year will need to average about 7.5 million bushels per week. The average since the first week of June has been 7.4 million. It appears that exports will be very near the USDA projection and much larger than the early year forecast of 1.0 billion bushels. Strong exports can be attributed to China's large appetite for soybeans and the second consecutive year of a shortfall in Brazilian soybean production. Year ending stocks of U.S. soybeans are now projected at 290 million bushels (Table 2).

Assuming that the 2004 soybean production estimate, and therefore consumption during the current marketing year, are reduced by 15 million bushels, the 2004-05 marketing year ending stocks-to-use ratio is projected at 9.8 percent. The world stocks-to-use ratio, however, is projected at 22 percent due to the large increase expected in Argentine stocks as of September 1, 2005. The world soybean situation, then, is currently one of very abundant supplies.

Prospects for 2005-06

The USDA's June *Acreage* report indicated that U.S. producers planted 73.303 million acres of soybeans in 2005. That estimate is 607,000 below March planting intentions and 1.905 million less than the record acreage planted in 2004. Soybean acreage is at the lowest level since 1998 (Table 5). Compared to last year's acreage, plantings declined by 800,000 acres (2 percent) in western corn belt states, 350,000 acres (1.5 percent) in eastern corn belt states, and 755,000 acres (5.5 percent) in the rest of the country (Table 6).

The decline in soybean acreage from March intentions did not occur because of a shift to other crops. Acreage of all crops reported in June was 1.2 million below March intentions, with large declines in sorghum, wheat, and hay. Acreage of corn and cotton exceeded March intentions. Compared to March intentions, the largest decline in soybean acreage, 500,000 acres, came in Minnesota.

Typically, the final estimate of planted acreage of soybeans is close to the June estimate, but there have been exceptions. In 2001, the final estimate was 1.34 million less than the June estimate and in 2002 the final was 970,000 larger than the June estimate (Table 5). The direction and magnitude of change is difficult to anticipate. In addition, the difference between planted and harvested acreage has varied by 900,000 acres over the past five years. Typically, the difference between planted and harvested acreage is larger in dry growing seasons when more acreage is abandoned, but even that is not always the case. For the current year, the USDA projects harvested acreage at 72.384 million acres, just 919,000 less than planted acreage. That difference is at the low end of the experience of the past

several years. Given the poor crop condition in some areas, and the possibility that some acreage did not actually get planted, a projection of harvested area of 72 million acres is used here.

From 1996 through 2002, the U.S. average soybean yield was tightly clustered, ranging from 36.6 to 39.6 bushels per acre. The average in 2003 was a 20 year low of 33.9 bushels and the 2004 average was a record 42.5 bushels per acre (Table 7). As of July 10, 2005, 54 percent of the U.S. crop was rated in good or excellent condition, compared to a 68 percent rating in 2004. At the end of the season last year, 66 percent of the crop was rated in good or excellent condition. Based on historical relationships between crop condition at the end of the season and the trend-adjusted yield, last year's rating suggested a yield of 41.5 bushels. Actual yield was one bushel higher than forecast by crop conditions. For 2005, the relationship between trend-adjusted yield and the percent of the crop rated good or excellent at the end of the season is estimated as: yield = 29.8 + .194 (percent of crop rated good or excellent). Examples of percent of the crop rated good or excellent and projected yield are:

Percent Good or Excellent	Expected Yield
65	42.4
60	41.4
55	40.5
50	39.5
45	38.5
40	37.6
35	36.6

If the current rating (54 percent good or excellent) persisted through the growing season, a 2005 average yield of 40.3 bushels would be expected. However, a combination of stressful weather, insect damage, and/or disease damage is expected to result in declining crop condition ratings, at least in the near term. The all important August weather could reverse the decline or accelerate the decline.

The USDA's World Outlook Board calculates the 2005 trend yield at 39.9 bushels per acre. That yield would require that about 52 percent of the crop remain in good or excellent condition through the end of the year, which appears doubtful at the current time. A yield of 39 bushels is used here, as a starting point. A yield of 39 bushels and harvested acreage of 72 million acres would produce a 2005 crop of 2.808 billion bushels and total supplies for the 2005-06 marketing year of 3.1 billion bushels (Table 2).

Consumption and Stocks Prospects

For the current U.S. marketing year, soybean use will total about 2.954 billion bushels (disregarding the 15 million of extra residual use). For the year ahead, a modest expansion in domestic livestock and poultry production should support a 2 percent increase in domestic soybean meal consumption, if feeding profitability remains positive. Meal exports will be supported by growing consumption outside the U.S. (projected 6.5 percent increase), but will be influenced by the size of the South American crop and South American meal exports. There is an active debate about likely soybean area in South America for the year ahead, with economic and credit stress likely to limit expansion. Most admit, however, that available crop acreage will be planted and there are limited alternatives for soybeans. The USDA projects a 1.3 percent increase in South American soybean area, well below the growth rate of the past 5 years. A return to more normal yields in Brazil and Paraguay in 2006, then, would result in a 12.5 percent (440 million bushel) increase in South

American production. Under that scenario, increases in domestic use of meal in the U.S. could be offset by a decline in exports, resulting in total use near that of the current year (Table 3). In turn, the domestic soybean crush would be near the 1.69 billion bushel level of this year.

Exports of U.S. soybeans will also be influenced by the size of the South American crop, but also by Chinese demand for imported soybeans. With a slightly smaller crop and rapid expansion in domestic meal consumption (13 to 15 percent per year), China may need to import 150 million bushels more soybeans in the 2005-06 marketing year than in the 2004-05 marketing year. The U.S. should get a share of that increase during the October 2004 through April 2005 time period. Total U.S. exports during the 2005-06 marketing year are projected at 1.13 billion bushels. With feed, seed, and residual use at a more typical 150 million bushels, total use during the 2005-06 marketing year is seen at 2.97 billion bushels. With a crop of 2.808 billion, stocks at the end of the year would be at 130 million bushels, or 4.4 percent of total consumption. Stocks near 110 million bushels are considered to be the minimum level of year ending inventory Year ending inventories of soybean oil, however, are expected to be maintained at a reasonably high level (Table 4).

Price Prospects

Since the fall of 2004, the central Illinois cash price of soybeans traded to a low of $4.80 (October 13, 2004) and to a high of $7.335 (June 24, 2005). Prices were near the upper end of that range in mid-July. Similarly, the monthly U.S. average cash price received by farmers varied from a low of $5.36 in November 2004 to a high near $6.70 in June 2005. With 95 percent of the 2004 crop likely already sold, the 2004-05 marketing year average farm price will be near $5.80 per bushel. November 2005 soybean futures traded to a contract low of $5.20 in February 2005 and a contract high of $7.75 in June 2005. Prices in mid-July were near the upper end of that range as the market worried about crop conditions and likely production. The average 2005-06 marketing year farm price reflected by closing futures prices on July 14 was near $7.00, well above, the $5.10 to $6.10 average projected by the World Outlook Board on July 12.

Based on the supply and consumption forecasts developed here, stocks of U.S. soybeans at the end of the 2005-06 marketing year will be reduced to 130 million bushels, or 4.4 percent of consumption. That is only marginally higher than the minimum attainable level of about 110 million bushels. However, these forecasts include projections of a continued high rate of consumption during the year ahead. That is, rationing of use, such as was required in 2003-04, would not be required. As a result, the small year ending stocks would have different price implications this year compared to 2003-04, particularly if the South American crop rebounds as projected. While prices could spike higher in anticipation of a small crop, the marketing year average might be below the current market. A forecast of $6.50 is used here, but with low confidence because of production uncertainty.

It appears likely that soybean prices will peak before harvest, as was typical in previous years of stressful weather. Whether higher prices will resurface after harvest will depend largely on South American crop prospects. It seems prudent to have a significant portion of the crop priced by harvest. Those pricing decisions will be easier for producers with good crop conditions and more difficult for those with poor crop conditions.

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Table 1. Soybean Quarterly Balance Sheet

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05
										million bushels													
September 1 stocks	254.5	344.6	175.7	316.1	536.4	436.4	302.5	182.0	239.1	329.0	278.4	292.3	209.1	334.8	183.5	131.8	199.8	348.5	290.2	247.7	208.0	178.3	112.4
Production	2,190.3	1,635.8	1,860.9	2,099.1	1,942.6	1,937.7	1,548.8	1,923.8	1,925.9	1,986.6	2,190.4	1,869.7	2,514.9	2,174.3	2,380.3	2,688.8	2,741.0	2,653.8	2,757.8	2,890.7	2,756.1	2,453.7	3,141
TOTAL	2,444.8	1,980.4	2,036.6	2,415.2	2,479.0	2,374.1	1,855.3	2,108.8	2,167.0	2,319.6	2,470.8	2,167.0	2,730.0	2,514.1	2,572.8	2,825.6	2,943.8	3,006.3	3,052.0	3,141.3	2,968.8	2,637.6	3,258.4
September-November																							
Crush	284.2	269.6	253.7	267.5	295.8	293.4	275.4	273.0	304.1	322.0	328.2	329.6	346.2	351.4	360.6	395.8	409.3	426.7	420.9	427.5	417.5	419.4	427.9
Export	245.9	190.6	153.4	166.5	216.5	260.8	138.3	168.5	120.1	167.1	235.9	176.0	230.9	233.6	289.7	365.3	268.5	297.8	315.5	348.6	320.4	385.7	406.5
Seed, residual	-36.2	48.5	14.8	21.5	10.1	64.6	74.8	56.6	58.8	51.5	70.7	79.8	50.9	95.7	97.4	66.9	78.5	98.9	75.6	89.6	112.3	140.5	115.4
TOTAL	493.9	508.7	421.9	455.4	522.4	618.8	488.5	498.1	483.0	540.6	634.8	585.4	628.0	681.7	747.7	826.2	758.8	823.4	812.0	865.7	850.2	945.6	949.8
December 1 stocks	1,950.9	1,471.7	1,614.7	1,959.8	1,956.6	1,755.3	1,366.8	1,610.7	1,684.0	1,779.0	1,836.0	1,573.6	2,102.0	1,833.4	1,825.1	1,999.4	2,186.4	2,182.7	2,240.0	2,275.6	2,115.4	1,688.7	2,304.6
Crush	314.9	262.5	276.4	281.9	320.1	317.3	286.3	304.3	301.4	323.1	335.2	327.2	371.8	359.0	400.7	443.1	408.6	408.1	417.9	447.6	422.0	423.2	436.2
Export	263.6	234.6	230.2	270.9	233.7	258.9	197.0	217.0	179.7	259.6	255.9	212.7	283.5	278.7	333.1	306.4	243.1	315.4	338.4	422.7	425.5	335.1	400.2
Seed, residual	26.6	18.8	47.0	35.7	63.8	33.0	-6.7	33.9	12.8	19.6	29.3	12.1	76.5	5.3	35.5	46.9	77.0	63.2	79.8	69.3	66.9	25.9	88.3
TOTAL	605.1	515.9	553.6	588.5	617.6	609.2	476.6	555.2	493.9	602.3	620.4	552.0	731.8	643.0	769.3	796.5	728.7	786.7	836.1	939.6	914.4	784.2	924.7
March 1 stocks	1,345.8	955.8	1,061.1	1,371.3	1,339.0	1,146.1	890.2	1,055.5	1,190.1	1,177.3	1,215.6	1,021.6	1,370.2	1,190.4	1,055.8	1,202.9	1,457.3	1,396.0	1,403.9	1,336.0	1,202.0	905.8	1,381.4
Crush	260.1	240.0	258.2	262.3	297.2	308.3	270.1	290.7	295.5	304.0	325.4	320.4	361.7	334.0	355.7	404.9	396.4	373.9	405.4	429.6	400.2	359.5	430.7
Export	216.2	204.2	153.4	226.4	159.3	185.0	135.5	153.2	146.9	148.2	186.7	120.6	216.6	188.5	165.9	120.0	161.9	205.8	220.8	155.0	194.4	117.6	211.2
Seed, residual	78.9	39.9	41.1	33.7	45.7	-2.5	20.1	15.7	24.2	29.4	20.1	25.3	0.0	44.9	34.3	84.4	50.4	58.9	69.5	66.5	6.3	19.1	40.8
TOTAL	555.2	484.1	452.7	522.4	502.2	490.8	425.7	459.6	466.6	481.6	532.2	466.3	578.3	567.4	555.9	609.2	608.7	621.8	695.7	651.1	600.9	496.2	682.7
June 1 stocks	790.6	471.7	608.4	848.9	836.8	655.3	464.5	595.9	723.5	695.7	683.4	555.3	791.9	622.8	499.9	593.7	848.6	774.4	708.2	684.9	602.4	410.6	699.6
Crush	248.8	210.6	242.1	241.1	265.5	255.5	225.8	278.4	285.9	304.6	290.0	298.4	325.5	324.9	318.7	353.2	375.4	370.1	395.8	395.0	375.6	327.6	
Export	179.5	113.6	61.1	76.3	147.4	97.6	56.2	84.2	110.4	109.0	91.0	79.7	107.0	150.5	93.0	78.7	127.5	171.6	121.3	137.2	104.1	45.8	
Seed, residual	17.7	-28.2	-10.9	-4.9	-12.5	0.3	0.5	-5.8	-1.8	3.1	10.1	-31.9	24.6	-35.2	-43.6	-37.9	-1.3	-55.0	-56.6	-55.3	-54.7	-74.0	
TOTAL	446.0	296.0	292.3	312.5	400.4	352.8	282.5	356.8	394.5	416.7	391.1	346.2	457.1	439.6	368.1	393.9	501.6	486.7	460.5	476.9	425.0	299.1	
September 1 stocks	344.6	175.7	316.1	536.4	436.4	302.5	182.0	239.1	329.0	278.4	292.3	209.1	334.8	183.5	131.8	199.8	348.5	290.2	247.7	208.0	178.3	112.4	
Annual																							
Crush	1,108.0	982.7	1,030.4	1,052.8	1,178.7	1,174.5	1,057.6	1,146.4	1,186.9	1,253.7	1,278.8	1,275.6	1,405.2	1,369.4	1,435.7	1,595.1	1,589.7	1,578.8	1,650.0	1,699.7	1,615.3	1,529.7	
Export	905.2	743.0	598.1	740.1	756.9	801.7	527.0	622.9	557.1	683.9	769.5	589.0	838.0	851.2	881.7	870.4	801.0	973.8	996.0	1,063.5	1,045.0	884.2	
Seed, residual	87.0	79.0	92.0	85.9	107.0	95.4	88.7	100.4	94.0	103.6	130.2	85.3	152.0	110.4	123.6	160.3	204.6	166.2	168.3	170.1	130.2	111.5	
TOTAL	2,100.2	1,804.7	1,720.5	1,878.8	2,042.6	2,071.6	1,673.3	1,869.7	1,838.0	2,041.2	2,178.5	1,949.9	2,397.0	2,330.9	2,441.0	2,625.8	2,595.3	2,718.8	2,803.10	2933.3	2,790.5	2,525.5	

Table 2. Soybean Balance Sheet -- Years Beginning September 1

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06[a]
	million bushels																
Carryin	182	239	329	278	292	209	335	183	132	200	348	290	248	208	178	112	290
Production	1,924	1,926	1,987	2,190	1,870	2,515	2,174	2,380	2,689	2,741	2,654	2,758	2,891	2,756	2,454	3,141	2,808
TOTAL[b]	2,109	2,167	2,320	2,470	2,168	2,729	2,514	2,573	2,826	2,944	3,006	3,052	3,141	2,969	2,638	3,258	3,100
Crush	1,146	1,187	1,254	1,279	1,276	1,405	1,369	1,436	1,597	1,590	1,578	1,640	1,700	1,615	1,530	1,690	1,690
Export	623	557	684	770	589	838	851	882	870	805	975	996	1,064	1,045	885	1,110	1,130
Seed, feed, residual	101	94	103	129	94	151	111	123	159	201	163	169	169	131	111	169	150
TOTAL	1,870	1,838	2,041	2,178	1,954	2,394	2,331	2,441	2,626	2,596	2,716	2,804	2,933	2,791	2,526	2,969	2,970
Carryout	239	329	278	292	209	335	183	132	200	348	290	248	208	178	112	290	130
U.S. Average price	$5.70	$5.75	$5.58	$5.60	$6.40	$5.48	$6.77	$7.35	$6.47	$4.93	$4.63	$4.54	$4.38	$5.53	$7.34	$5.80	$6.50

[a] Projected

[b] Includes imports

Table 3. Soybean Meal Balance Sheet -- Years Beginning October 1

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2004-06
	thousand tons																
Beginning stocks	173	318	285	230	204	150	223	212	210	218	330	293	383	240	220	211	250
Production	27,719	28,325	29,831	30,364	30,514	33,270	32,527	34,210	38,176	37,792	37,591	39,385	40,292	38,194	36,324	40,274	40,250
TOTAL[a]	27,982	28,688	30,183	30,687	30,788	33,483	32,825	34,524	38,443	38,109	37,970	39,729	40,818	38,600	36,815	40,650	40,665
Domestic	22,291	22,934	23,007	24,251	25,283	26,542	26,611	27,320	28,895	30,657	30,345	31,643	33,070	32,361	31,515	33,200	33,850
Exports	5,319	5,469	6,946	6,232	5,356	6,717	6,002	6,994	9,330	7,122	7,332	7,703	7,508	6,019	5,089	7,200	6,550
TOTAL	27,610	28,403	29,953	30,483	30,639	33,260	32,613	34,314	38,225	37,779	37,677	39,346	40,578	38,380	36,604	40,400	40,400
Ending stocks	318	285	230	204	150	223	212	210	218	330	293	383	240	220	211	250	265
Price[b]	$186.48	$181.38	$189.21	$193.75	$192.86	$162.55	$235.92	$270.90	$185.28	$138.55	$167.70	$173.60	$167.73	$181.57	$256.05	$185	$195

[a] Includes imports

[b] Bulk, Decatur, Illinois 48%

Table 4. Soybean Oil Balance Sheet -- Years Beginning October 1

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06
	million pounds																
Beginning stocks	1,715	1,305	1,786	2,239	1,555	1,103	1,137	2,015	1,520	1,382	1,520	1,995	2,767	2,358	1,491	1,076	1,696
Production	13,003	13,406	14,346	13,778	13,951	15,613	15,240	15,752	18,143	18,081	17,825	18,420	18,898	18,430	17,080	19,215	19,100
TOTAL[a]	14,740	14,728	16,132	16,027	15,574	16,733	16,472	17,821	19,723	19,546	19,427	20,488	21,711	20,835	18,877	20,396	20,906
Domestic	12,082	12,163	12,246	13,053	12,941	12,916	13,465	14,263	15,262	15,655	16,056	16,320	16,833	17,081	16,866	17,300	17,650
Exports	1,353	779	1,647	1,419	1,529	2,680	992	2,037	3,079	2,372	1,376	1,401	2,519	2,263	935	1,400	1,550
TOTAL	13,435	12,942	13,893	14,472	14,471	15,596	14,457	16,300	18,341	18,027	17,432	17,721	19,353	19,344	17,801	18,700	19,200
Ending stocks	1,305	1,786	2,239	1,555	1,103	1,137	2,015	1,520	1,382	1,520	1,995	2,767	2,358	1,491	1,076	1,696	1,706
Average Price[b]	22.3¢	21.0¢	19.1¢	21.4¢	27.1¢	27.6¢	24.75¢	22.5¢	25.8¢	19.9¢	15.6¢	14.2¢	16.5¢	22.0¢	30.0¢	23.2¢	24.0¢

[a] Includes imports

[b] Bulk, Decatur, Illinois

Table 5. Soybean Planting Intentions, Actual Plantings, and Acres Harvested

Year	January Intentions	Mar./April Intentions	June/July Intentions	Actual	Harvested Acreage
			million acres		
1975	57.5	56.6	54.6	54.6	53.8
1976	50.9	49.3	49.0	50.3	49.4
1977	53.1	55.7	59.0	59.0	57.6
1978	63.9	63.7	64.0	64.7	63.3
1979	66.3	68.8	71.6	71.4	70.3
1980	71.6	71.3	70.3	69.9	67.8
1981	----	69.8	68.5	67.5	66.2
1982	69.5[a]	---	72.2	70.9	69.4
1983	68.8[a]	65.8[b]	63.3	63.8	62.5
1984	65.2[a]	---	68.0	67.8	66.1
1985	64.4[a]	---	63.3	63.1	61.6
1986	---	62.0	61.8	60.4	58.3
1987	---	56.9	58.7	58.180	57.172
1988	---	58.0	58.5	58.840	57.373
1989	---	61.7	61.3	60.820	59.282
1990		59.42	58.05	57.795	56.283
1991	58.5	57.12	59.78	59.180	58.169
1992		57.42	59.03	59.180	58.233
1993		59.30	61.58	60.085	57.307
1994		61.12	61.78	61.620	60.809
1995		61.45	63.105	62.495	61.544
1996		62.478	63.895	64.195	63.349
1997		68.800	70.850	70.005	69.110
1998		72.000	72.720	72.025	70.441
1999		73.105	74.205	73.730	72.446
2000		74.871	74.501	74.266	72.408
2001		76.657	75.416	74.075	72.975
2002		72.966	72.993	73.963	72.497
2003		73.182	73.653	73.404	72.476
2004		75.411	74.809	75.208	73.958
2005		73.910	73.303		72.384

[a] February 1

[b] May 1

Table 6. Planted Acres of Soybeans by Region

	Western Corn Belt[a]		Eastern Corn Belt[b]		Mid-South[c]		Southeast[d]		East Coast[e]		United States	
Region	000 acres	%	000 acres	%	000 acres	%	000 acres	%	000 acres	%	000 acres	%
1976	16,145	32.1	14,530	28.9	13,630	27.1	4,799	9.6	1,122	2.3	50,226	100.0
1979	23,370	32.7	19,620	27.5	18,470	25.9	8,360	11.7	1,591	2.2	71,411	100.0
1986	24,875	41.2	18,300	30.3	10,995	18.2	4,680	7.8	1,535	2.5	60,385	100.0
1987	24,120	41.5	18,580	31.9	10,330	17.8	3,675	6.3	1,475	2.5	58,180	100.0
1988	24,310	41.3	18,680	31.7	10,460	17.8	3,810	6.5	1,580	2.7	58,840	100.0
1989	24,790	40.8	19,020	31.3	10,750	17.7	4,460	7.3	1,800	2.9	60,820	100.0
1990	23,750	41.1	18,490	32.0	10,270	17.2	3,650	6.3	1,635	2.8	57,795	100.0
1991	26,035	44.0	19,420	32.8	8,990	15.2	3,005	5.1	1,730	2.9	59,180	100.0
1992	25,400	42.9	20,000	33.8	8,980	15.2	2,915	5.2	1,715	2.9	59,180	100.0
1993	25,300	42.1	20,410	34.0	9,690	16.1	2,915	4.9	1,770	2.9	60,085	100.0
1994	27,220	44.1	20,510	33.3	9,220	15.0	2,875	4.7	1,795	2.9	61,620	100.0
1995	28,210	45.1	21,130	33.8	9,130	14.7	2,290	3.6	1,735	2.8	62,495	100.0
1996	28,250	44.0	22,370	34.8	9,390	14.6	2,565	4.0	1,620	2.5	64,195	100.0
1997	32,450	46.4	22,610	32.3	10,390	14.8	2,777	4.0	1,778	2.5	70,005	100.0
1998	33,700	46.8	23,650	32.8	10,180	14.1	2,690	3.8	1,805	2.5	72,025	100.0
1999	35,800	48.5	24,100	32.7	9,700	13.2	2,360	3.2	1,770	2.4	73,730	100.0
2000	37,050	49.9	24,050	32.4	9,010	12.1	2,230	3.0	1,926	2.6	74,266	100.0
2001	37,700	50.9	24,650	33.3	7,685	10.4	2,135	2.9	1,905	2.5	74,075	100.0
2002	37,070	50.1	24,740	33.5	8,170	11.0	2,145	2.9	1,838	2.5	73,963	100.0
2003	37,650	51.3	23,770	32.4	7,990	10.9	2,253	3.0	1,741	2.4	73,404	100.0
2004	38,000	50.5	23,550	31.4	9,100	12.1	2,579	3.4	1,979	2.6	75,208	100.0
2005	37,200	50.7	23,200	31.7	8,590	11.7	2,351	3.2	1,962	2.7	73,303	100.0

[a] Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota

[b] Illinois, Indiana, Michigan, Ohio, Wisconsin

[c] Arkansas, Kentucky, Louisiana, Mississippi, Oklahoma, Tennessee, Texas

[d] Alabama, Florida, Georgia, North Carolina, South Carolina

e Delaware, Maryland, New Jersey, New York, Pennsylvania, Virginia, West Virginia

Table 7. United States Soybean Yield Estimates

	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
	million bushels																									
August 1	30.3	27.4	30.2	32.3	29.7	30.5	31.5	32.9	34.7	26.0	32.3	32.5	31.8	35.8	33.8	37.6	36.4	36.3	39.5	39.5	39.2	40.7	38.7	36.5	39.4	39.1
September 1	30.9	27.0	31.2	32.6	24.9	30.3	33.2	33.1	34.0	25.9	32.0	32.4	31.0	35.9	34.0	38.2	37.0	35.8	39.3	40.6	37.9	39.5	38.2	37.0	36.4	38.5
October 1	31.5	26.0	31.5	32.4	24.7	29.5	33.9	33.3	34.2	26.4	32.6	32.3	33.0	36.3	33.7	40.5	35.5	37.0	39.0	38.7	37.0	38.7	39.2	37.0	34.0	42.0
November 1	31.8	26.5	31.0	32.4	25.0	28.5	34.2	33.8	34.1	26.6	32.8	33.7	33.5	37.3	32.7	41.5	35.4	37.9	39.2	38.6	36.7	38.0	39.4	37.5	33.8	42.6
January 1	32.2	26.8	30.4	32.2	25.7	28.2	34.1	33.8	33.7	26.8	32.4	34.0	34.3	37.6	32.0	41.9	34.9	37.6	39.0	38.9	36.5	38.1	39.6	37.8	33.4	42.5
FINAL	32.1	26.5	30.1	31.5	26.2	28.1	34.1	33.3	33.9	27.0	32.3	34.1	34.2	37.6	32.6	41.4	35.3	37.6	38.9	38.9	36.6	38.1	39.6	38.0	33.9	

Table 8. South American Soybean Area, Yield and, Production, 1988 to Date

	Brazil			Argentina			Paraguay		
	Area	Yield	Production	Area	Yield	Production	Area	Yield	Production
Year	mil. ha.	t/ha.	mil.t	mil. ha.	t/ha.	mil. t.	mil. ha.	t/ha.	mil. t.
1988-89	12.15	1.94	23.60	4.00	1.63	6.50	0.85	1.90	1.62
1989-90	11.55	1.76	20.34	4.95	2.17	10.75	0.98	1.61	1.58
1990-91	9.75	1.62	15.75	4.75	2.42	11.50	0.89	1.46	1.30
1991-92	9.70	1.99	19.30	4.80	2.32	11.15	0.90	1.44	1.30
1992-93	10.63	2.12	22.50	4.90	2.32	11.35	0.98	1.79	1.75
1993-94	11.44	2.16	24.70	5.40	2.30	12.40	1.05	1.71	1.80
1994-95	11.68	2.22	25.90	5.70	2.19	12.50	1.10	2.00	2.20
1995-96	10.95	2.21	24.15	5.98	2.08	12.43	1.10	2.18	2.40
1996-97	11.80	2.27	26.80	6.26	1.81	11.20	1.20	2.31	2.77
1997-98	13.00	2.50	32.50	6.95	2.80	19.50	1.20	2.49	2.99
1998-99	12.90	2.43	31.30	8.17	2.45	20.00	1.20	2.54	3.05
1999-00	13.60	2.51	34.20	8.58	2.47	21.20	1.15	2.52	2.90
2000-01	13.93	2.80	39.00	10.40	2.67	27.80	1.35	2.61	3.52
2001-02	16.35	2.66	43.50	11.40	2.63	30.00	1.45	2.45	3.55
2002-03	18.45	2.82	52.00	12.60	2.82	35.50	1.55	2.90	4.50
2003-04	21.52	2.35	50.50	14.00	2.36	33.00	1.75	2.23	3.91
2004-05	22.84	2.23	51.00	14.40	2.71	39.00	2.00	1.90	3.80
2005-06	23.00	2.70	62.00	14.70	2.65	39.00	2.00	2.40	4.80

Source: USDA, FAS

Table 9. Soybean Production by Country

Year	United States	Brazil[a]	Argentina[a]	Paraguay[a]	China	Other	World	All Foreign
				million bushels				
1970	1,127	76	2	3	254	165	1,627	500
1971	1,176	135	3	4	290	126	1,734	558
1972	1,283	184	10	4	320	66	1,867	584
1973	1,547	289	18	7	367	64	2,292	745
1974	1,215	363	18	8	349	54	2,007	792
1975	1,547	413	26	10	367	46	2,409	862
1976	1,288	460	51	14	242	128	2,183	895
1977	1,762	350	99	12	266	154	2,643	881
1978	1,870	557	136	20	278	167	2,847	977
1979	2,261	376	132	21	274	191	3,255	994
1980	1,798	558	129	22	292	176	2,975	1,177
1981	1,989	471	152	22	342	186	3,162	1,173
1982	2,190	542	154	19	332	200	3,437	1,247
1983	1,636	571	257	20	359	213	3,056	1,420
1984	1,861	672	248	35	356	248	3,421	1,561
1985	2,099	518	268	22	386	272	3,565	1,466
1986	1,943	636	257	35	427	303	3,601	1,658
1987	1,938	662	356	40	457	359	3,812	1,874
1988	1,549	852	235	60	428	387	3,506	1,957
1989	1,924	747	395	58	376	445	3,945	2,020
1990	1,926	579	423	48	404	446	3,826	1,900
1991	1,987	709	410	48	357	435	3,946	1,959
1992	2,188	827	417	64	378	434	4,308	2,120
1993	1,871	908	456	66	563	454	4,318	2,447
1994	2,517	952	459	81	588	460	5,057	2,540
1995	2,177	887	457	88	496	487	4,591	2,415
1996	2,380	1,003	412	102	486	474	4,857	2,477
1997	2,689	1,194	717	110	551	545	5,806	3,117
1998	2,741	1,150	735	112	557	577	5,872	3,131
1999	2,654	1,257	779	107	525	527	5,875	3,221
2000	2,758	1,433	1,021	129	566	525	6,432	3,674
2001	2,891	1,598	1,102	130	566	506	6,793	3,902
2002	2,756	1,911	1,304	165	607	500	7,243	4,487
2003	2,454	1,856	1,213	144	566	611	6,844	4,390
2004	3,141	1,874	1,433	140	661	626	7,875	4,734
2005	2,890	2,278	1,733	176	625	671	8,073	5,183

[a] Harvested in the spring of the following year.

Table 10. World Oilseed and Soybean Production

	Major Oilseeds			Soybeans		
Year	United States	Ex-United Stated	Total	United States	Ex-United States	Total
			million metric tons			
1977-78	56.5	93.7	150.2	47.95	23.98	71.93
1978-79	58.6	92.0	150.6	50.86	26.62	77.48
1979-80	72.4	98.1	170.5	61.72	31.79	93.51
1980-81	55.8	99.8	155.6	48.77	32.20	80.97
1981-82	64.0	105.5	169.5	54.13	31.93	86.06
1982-83	68.2	110.1	178.3	59.61	33.96	93.57
1983-84	50.4	115.1	165.5	44.52	38.64	84.16
1984-85	59.2	131.7	191.1	50.64	42.50	93.14
1985-86	65.4	130.8	196.2	57.13	39.92	97.05
1986-87	59.4	135.0	194.4	52.87	45.21	98.08
1987-88	60.6	150.0	210.6	52.75	51.06	103.81
1988-89	50.3	153.9	204.2	42.15	53.49	95.64
1989-90	59.3	153.1	212.4	52.35	55.02	107.37
1990-91	60.6	155.1	215.7	52.42	51.57	103.99
1991-92	64.3	160.0	224.3	54.07	53.31	107.38
1992-93	68.4	158.9	227.4	59.61	57.69	117.30
1993-94	59.5	168.4	227.9	50.92	66.58	117.50
1994-95	79.7	181.2	260.9	68.49	69.14	137.63
1995-96	69.1	190.6	259.7	59.24	65.72	124.96
1996-97	74.8	187.0	261.8	64.78	67.40	132.18
1997-98	83.1	203.9	287.0	73.18	84.90	158.07
1998-99	84.4	210.3	294.7	74.60	85.21	159.81
1999-00	82.3	221.1	303.4	72.22	87.68	159.90
2000-01	84.9	228.5	313.4	75.06	100.00	175.06
2001-02	89.8	235.3	325.1	78.67	106.20	184.87
2002-03	83.9	245.7	329.6	75.01	122.11	197.12
2003-04	76.6	257.7	334.3	66.78	119.48	186.26
2004-05	96.4	282.8	379.2	85.48	128.48	214.32
2005-06	89.1	289.5	378.6	78.65	141.05	219.71

[1]WASDE July 2005 and earlier.